

(HEADLINE)

Grants and Guaranteed Loans Provided by USDA Rural Development Renewable Energy and Energy Efficiency Program

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If you're an agricultural producer or rural small business looking to finance a renewable energy or energy efficiency project, check out the Renewable Energy and Energy Efficiency Program from USDA Rural Development. This program provides grants and guaranteed loan funds to agricultural producers and rural small businesses.

Grants can cover up to 25% of total eligible costs. The minimum energy efficiency grant is \$1500 and maximum is \$250,000. The minimum renewable energy grant is \$2500 and maximum is \$500,000.

Guaranteed loans can cover up to 50% of total eligible costs. The minimum guaranteed loan is \$5000 and maximum is \$10 million.

Eligible energy projects include solar (small and large), biomass, anaerobic digesters, geothermal (including electric generation and direct use), as well as hydrogen, wind (small and large) and energy efficiency.

Examples of energy efficiency projects might be the installation of more energy efficient equipment, motors, pumps, fans and blowers, compressors, refrigeration units, ventilation systems, windows, insulation, heating systems, lighting systems, and plumbing fixtures.

Applications can be filed anytime. Rural Development is urging applicants to start the application process now to allow sufficient time for gathering the necessary information.

There will be multiple rounds of grants in the coming year with the first round estimated to be due in December. Guaranteed application funding decisions will be made throughout the year.

Energy program information can be found at www.rurdev.usda.gov/ia/rbs.html. Click on "Energy" program. Contact the USDA Rural Development State Office at 515-284-4447 if you have questions.

The Renewable Energy Systems and Energy Efficiency Improvements program was created as part of the 2002 Farm Bill to assist farmers, ranchers, and rural small businesses develop renewable energy systems and make energy efficiency improvements to their operations. To date, the Bush Administration has committed nearly \$68 million in grant assistance to farmers, ranchers, and rural businesses nationwide.

Further information on rural development programs is available at a local USDA Rural Development office or by visiting USDA's web site at www.rurdev.usda.gov/ia.